

RETURN

(63)

To an ADDRESS of the HOUSE OF COMMONS, dated the 23rd March, 1903, for copies of all correspondence, orders in council or applications relating to or concerning the grant or concessions to A. N. C. Treadgold, or to the Hydraulic Mining Syndicate, either separately or associated with A. N. C. Treadgold, of claims, rights or privileges on Bonanza, Bear and Hunker creeks, or their tributaries, or elsewhere in the Yukon.

R. W. SCOTT,
Secretary of State.

C. P. R. COMPANY'S TELEGRAPH.

LONDON, June 19, 1901.

Hon. CLIFFORD SIFTON,
Ottawa.

Will you consent to express what I believe to be your intention in condition three, by changing the words net profit into dividend, and inserting all before the capital erasing stock, and in regulation E, first paragraph, by inserting obligatory quantities of between the and water? Both changes vital to me here. Reply Treadgold Tom Tom, London.

OTTAWA, June 21, 1901.

WALTER BARWICK, Esq., K.C.,
King St., Toronto, Ont.

I am directed to inclose herewith a copy of an ordinance, dated the 12th instant, granting certain rights, powers, privileges, and franchises to Malcolm H. Orr Ewing, A. C. N. Treadgold and yourself, in connection with the diversion of water from the Klondike river, in the Yukon Territory; also a copy of the order in council referred to in the said ordinance.

P. G. KEYES,
Secretary.

[For ordinance and order in council of June 12, 1901, above referred to, see Sessional Paper, No. 81, 1902.]

YUKON TERRITORY

2-3 EDWARD VII., A. 1903

OTTAWA, June 21, 1901.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

I am directed to inclose herewith a copy of an ordinance, dated the 12th instant, granting certain rights, powers, privileges, and franchises to Malcolm H. Orr Ewing, A. N. C. Treadgold and Walter Barwick, in connection with the diversion of water from the Klondike river, in the Yukon Territory; also a copy of the order in council referred to in said ordinance.

P. G. KEYES,
Secretary.

AT THE GOVERNMENT HOUSE AT OTTAWA,

THE 29TH DAY OF JUNE, 1901.

PRESENT :

HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL.

Whereas, the application made by Malcolm H. Orr Ewing, of Malvern England, A. N. C. Treadgold, of London, England, and Walter Barwick, of Toronto, Ontario, bearing date May 31, with respect to the establishment of hydraulic works of auriferous deposits now unworked for the want of a sufficient water supply in the Yukon Territory, was by an order of the Governor General in Council, dated June 12, 1901, granted, and

Whereas, the applicants have now asked that their application, a copy of which is annexed to the above mentioned order in council, be amended, and it is expedient that the said request be also granted;

Therefore, the Governor General in Council is pleased to order, and does hereby order, that the said order in council, dated June 12, 1901, above mentioned, shall be and the same is hereby amended by substituting the word 'dividend' for the words 'net profit' in the thirteenth and fourteenth lines of section 3 of the conditions under which their application was granted, by inserting the word 'all' before the word 'capital' in the fifteenth line of that section, and by inserting the words 'obligatory quantities' between the words 'the' and 'water' in section 'E' of the regulations attached to said order in council.

JOHN J. McGEE,
Clerk of the Privy Council.

OFFICE OF THE ASSISTANT GOLD COMMISSIONER,
DAWSON, Y.T., July 16, 1901.

To the Secretary,
Department of the Interior,
Ottawa.

I beg to acknowledge the receipt of your letter of 21st ult., inclosing copy of order in council, No. 1293, also copy of an ordinance, No. 1294, both dated June 12, 1901, to which the following certificates were respectively affixed:—

'I hereby certify that the within order in council was received at my office July 15, was posted therein July 16.'

'I hereby certify that the within ordinance was received in my office July 15, was posted therein July 16.'

J. LANGLOIS BELL,
Asst. Gold Commissioner.

SESSIONAL PAPER No. 63

OTTAWA, July 19, 1901.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

I am directed to say that on the 21st ultimo, a copy of an ordinance, dated the 12th of last month, granting certain powers, privileges, rights, and franchises to Malcolm H. Orr Ewing, A. N. C. Treadgold and Walter Barwick, in connection with the diversion of water from the Klondike river, in the Yukon Territory, and also a copy of the order in council referred to in the said ordinance, was sent you. I now inclose a copy of an order in council, dated the 29th ultimo, amending the order of June 12, 1901.

P. G. KEYES,
Secretary.

OTTAWA, July 19, 1901.

WALTER BARWICK, Esq., K.C.,
King St., Toronto, Ontario.

I am directed to say that on the 21st ultimo, a copy of an ordinance, dated the 12th of last month, granting certain powers, privileges, rights, and franchises to Malcolm H. Orr Ewing, A. N. C. Treadgold and yourself, in connection with the diversion of water from the Klondike river, in the Yukon Territory, and also a copy of the order in council referred to in the said ordinance was sent you. I now inclose a copy of an order in council, dated the 29th ultimo, amending the order of June 12, 1901.

P. G. KEYES,
Secretary.

THE GOLD COMMISSIONER'S OFFICE,
DAWSON, Y.T., July 23, 1901.

To the Secretary,
Department of the Interior,
Ottawa.

I have some difficulty in construing section 10 of the order in council granting to Treadgold *et al* water privileges upon the Klondike river. I am doubtful whether it is the intention of the department that under this order in council Treadgold *et al.* are entitled exclusively to all the locations that revert to the Crown on Hunker, Bonanza and Bear creeks. Since this order in council came into force I have not allowed any ground that has reverted to the Crown on these creeks to be granted to relocators, and I am of the opinion that it is the intention of the department that this ground should be reserved for Treadgold *et al.* I think it would be well that the Minister's opinion in this matter should be telegraphed to me on receipt of this letter, in order that the relocators may know as soon as possible what is the actual intention of the government.

E. C. SENKLER,
Gold Commissioner.

GREAT NORTH-WESTERN TELEGRAPH COMPANY.

August 3, 1901.

To H. B. McGIVERIN,
Ottawa

From New York.

Get certified copy of two small water charter amendments, passed July 9. Mail to-day to Queen's, Toronto.

TREADGOLD,
Manhattan Hotel.

YUKON TERRITORY

2-3 EDWARD VII., A. 1903

CANADIAN PACIFIC RAILWAY COMPANY'S TELEGRAPH.

DAWSON, Y.T., August 6, 1901.

Hon. CLIFFORD SIFTON,
Minister of the Interior,
Ottawa.

Does clause 10, Treadgold water concession, give absolute grant of relocated claims, and must grantee enter upon or make entry for in competition with free miners? Opinion of legal adviser and my own that section does not give exclusive right. Answer.

E. C. SENKLER.

TELEGRAM.

DEPARTMENT OF THE INTERIOR,

OTTAWA, August 14, 1901.

E. C. SENKLER,
Gold Commissioner,
Dawson, Y.T.

Abandoned locations on Bonanza, Bear and Hunker to be held pending Treadgold Company's compliance with provisions of order in council.

PERLEY G. KEYES.

OTTAWA, August 21, 1901.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

I beg to acknowledge the receipt of your letter of the 23rd ultimo, file 1526, with respect to the order in council dated June 12 last, granting certain rights to Messrs. Ewing, Treadgold and Barwick, and in reply to say that on the 14th instant the following telegram was sent to you:—

'Abandoned locations on Bonanza, Bear and Hunker to be held pending Treadgold Company's compliance with provisions of order in council.'

Under the provisions of the above order in council, all mining locations abandoned within the territory comprising Bonanza, Bear and Hunker creeks, and their respective tributaries, should be held in reserve until it is seen whether or not the company complies with its undertakings.

P. G. KEYES,
Secretary.

TELEGRAM.

DEPARTMENT OF THE INTERIOR,

OTTAWA, September 6, 1901.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

Respecting clause 10, Ewing-Treadgold order in council, course to be followed is as follows: Ground is to be open for entry by ordinary miners as if no such order were passed; entries to be granted to applicants in the usual way; no reserve made or authorized by such order. Clause 10 only confers upon grantees a right to stake and enter for the abandoned claims in same way as any other free miner. If Ewing-Tread-

SESSIONAL PAPER No. 63

gold Company apply to be registered for any of these abandoned claims, you will require them to locate, stake and comply with all formalities in each individual case of each individual claim, except payment of entry fee. Advise public of these instructions at once to avoid misunderstanding; also let it be known that provisions of this order in council do not take away from the rights of miners and mining companies to secure water rights under water regulations.

CLIFFORD SIFTON.

DEPARTMENT OF THE INTERIOR,

OTTAWA, September 16, 1901.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

Referring to the order in council, dated June 12 last, granting certain rights to Messrs. Ewing, Treadgold and Barwick, I beg to inform you that the Minister has had under consideration section 10 of this order, and he has decided that the interpretation placed upon that section by yourself and the legal adviser, as set out in your telegram of the 2nd ultimo, is the correct one. In accordance with this decision, the following telegram was sent to you on the 6th instant:—

'Respecting clause ten, Ewing-Treadgold order in council, course to be followed is as follows: Ground is to be open for entry by ordinary miners as if no such order was passed; entries to be granted to applicants in the usual way; no reserve made or authorized by such order. Clause ten only confers upon grantees a right to stake and enter for the abandoned claims in same way as any other free miner. If Ewing-Treadgold Company apply claims you will require them to locate, stake and comply with all formalities in each individual case of each individual claim, except payment of entry fee. Advise public of these instructions at once to avoid misunderstanding; also let it be known that provisions of this order in council do not take away from the rights of miners and mining companies to secure water rights under water regulations.

P. G. KEYES,
Secretary.

OFFICE OF THE GOLD COMMISSIONER OF THE YUKON TERRITORY,
DAWSON, Y.T., October 15, 1901.

The Secretary,
Department of the Interior,
Ottawa, Ont.

I beg to acknowledge the receipt of your telegram to the Gold Commissioner of August 14, *re* the Treadgold order in council, also the Minister's telegram of September 6, in connection with the same matter, and the departmental letter of August 21 and September 16, file No. 69412 T. & M.

DUFFERIN PATULLO,
Acting Asst. Gold Commissioner.

EXTRACT from a report of the Committee of the Honourable the Privy Council, approved by His Excellency on December 7, 1901

On a report dated November 30, 1901, from the Minister of the Interior, submitting with reference to the order in council of June 12, 1901, granting certain rights and franchises to Messrs. Malcolm H. Orr Ewing, A. N. C. Treadgold and Walter Barwick, that the grantees have asked for certain amendments to the order in council.

The minister submits the following amendments to the said order in council:—

Section 3 of said order in council is hereby amended by adding thereto the following:

In respect of Rock creek, the said right shall be a prior right up to 2,500 miner's inches.

Section 10 of the said order in council is hereby rescinded, and the following is substituted therefor:

10. The right, subject to no payment except the royalty prescribed upon output, to obtain entry for and work all mining locations now or hereafter abandoned on Bonanza, Bear and Hunker creeks and their tributaries.

All such locations shall be deemed to be vested in the grantees on the first day of January, 1902, but the grantees shall not receive the entry for any of such locations until they have expended the sum of \$250,000 as herein provided, nor shall they work any of the said locations until the provisions of condition 2, respecting the delivery of two thousand (2,000) miner's inches of water, have been fulfilled. In default of the delivery of two thousand (2,000) miner's inches of water as provided in condition 2, the right of the grantees to the said locations shall forthwith cease and determine.

Condition 2 under section thirteen of the said order in council is hereby repealed, and the following substituted therefor: The grantees shall deliver within the district during the summer season of 1905, not later than July 1, 1905, a flow of water of 2,000 miner's inches, equal to 3,000 cubic feet per minute, for distribution along the line of a conduit constructed from the mouth of Bonanza Valley to Grand Forks, at such an elevation above Bonanza creek as will afford a pressure due to an effective head of not less than three hundred feet at any and every point throughout the length of such conduit. Such flow shall be continuously maintained, and be available during at least sixty days of each season and each season thereafter during the period for which this franchise is granted, as set forth in condition 7 thereof, and in default thereof the exclusive and prior rights of the grantees shall cease and be determined.

In case of unavoidable accident to the works of the grantees, they shall be entitled without forfeiture to a reasonable time for effecting repairs; provided, also, that if the grantees shall be delayed or their operations interfered with by floods, war, civil commotion, strikes, accident to machinery or works, or by the act of God or other causes over which the grantees have no control, and so prevented from complying with the conditions of this clause, they shall be entitled to extensions of time equal to the periods of delay.

Condition 3 of said section 13 is hereby repealed, and the following substituted therefor:

3. The grantees shall supply water to the owners of claims within the district, subject to the regulations hereinafter contained.

The following shall be inserted in the said order in council after said condition 3 as

3a. At any time after the 31st of December, 1905, if the grantees have complied with the terms of condition 2, as above set forth, the Minister of the Interior may in respect of any portion of the district except those already by that date served by the grantees' works, require the grantees to elect whether they will proceed with the construction of works to furnish a reasonable supply of water for mining purposes for such portion of the district, or abandon in respect thereof their exclusive right to supply water; and if the grantees are not within six calendar months from the receipt of the notice of such requirement prepared to proceed with the construction of works calculated to furnish a reasonable supply of water for such portion of the district, then the exclusive right of the grantees in respect of such portion of district may be revoked and determined by order of the Governor in Council.

Regulation 'F' in the said order in council is hereby repealed and the following substituted therefor:

'F.' The charge which the grantees shall be entitled to make for the use of such water on each placer claim shall not exceed 25 cents per miner's inch per hour.

SESSIONAL PAPER No. 63

The following shall be added to the said order in council as regulation 'G' :

'G.' Whenever the grantees divert and take water on any creek or tributary, any free miner's bona fide working claims on such creek or tributary below any point at which the grantees divert and take water on such creek or tributary may collectively require the grantees to leave in such creek or tributary for use in working the claims of such free miners the lawful amount of water naturally flowing in such creek or tributary at the grantees' point of intake, as prescribed by clause 6 of the regulations for the diversion of water in the Yukon Territory, bearing date the third of August, 1898.

The plans of the grantees' works shall be submitted to and approved by the Governor General in Council before the works are actually proceeded with.

The committee submit the foregoing for His Excellency's approval.

JOHN J. McGEE,
Clerk of the Privy Council.

TORONTO, December 20, 1901.

The Secretary,
Department of the Interior,
Ottawa.

I will thank you very much if you will send me copy of the last order in council amending the order in council of June 12, 1901, under which certain rights to establish hydraulic works in the Klondike district were conferred upon Mr. Malcolm H. Orr Ewing and others. I have already received a copy of the amending order which was passed on June 29, 1901.

WALTER BARWICK.

OTTAWA, January 10, 1902.

Hon. J. H. Ross,
Commissioner,
Dawson, Y.T.

I beg to inclose herewith for your information a copy of an order in council, dated the 7th ultimo, amending the order in council of June 12 last, granting certain rights and franchises to Messrs. Ewing, Treadgold and Barwick. Please advise the Gold Commissioner.

P. G. KEYES,
Secretary.

[For order in council dated December 7, 1901, see Sessional Paper, No. 81, 1902.]

OTTAWA, January 10, 1902.

WALTER BARWICK, Esq.,
Barrister, &c.,

18 and 20 King St. West., Toronto, Ont.

In reply to your letter of the 20th ultimo, I beg to inclose herewith a copy of an order in council dated the 7th of last month, amending the order in council of June 12 last, granting certain rights and franchises to Messrs. Ewing and Treadgold and yourself.

P. G. KEYES,
Secretary.

2-3 EDWARD VII., A. 1903

COMMISSIONER'S OFFICE,
DAWSON, Y.T., February 15, 1902.

The Secretary,
Department of the Interior,
Ottawa.

I am directed to acknowledge the receipt of your letter of January 10, file 69412 T. & M., inclosing a copy of an order in council dated the 7th ultimo, amending the order in council of June 12 last, granting certain rights and franchises to Messrs. Ewing, Treadgold and Barwick.

J. R. BROWN,
Territorial Secretary.

EXTRACTS from Dawson *Daily News*, Thursday, February 13, 1902.

TREADGOLD'S COLOSSAL MONOPOLY OF MINES AND WATER.

It means that Eldorado, Hunker, Bear, Last Chance, Gold Bottom and every stream tributary to each, closed to location. Every lapsed claim within this vast area falls to the concessionaires by virtue of an order in council. Existing water rights superseded, and a prior right given to Rock creek water for twenty-five hundred miner's inches. Miners may no longer direct the water except for their own use. Treadgold has a practical monopoly for the sale of water. This iniquitous monopoly will prevent development of the Bonanza division of Dawson district, and cripple the commercial interests of the city in proportion.

At last the coterie of absentee speculators have gained their point. Treadgold and his two partners have, through the persistent efforts of one of them, Walter Barwick, a Toronto lawyer succeeded in placing their hands upon every claim which or shall revert on every creek in the richest part of the Klondike district.

Eldorado, Bonanza, Hunker, Last Chance, Gold Bottom, and every stream and gulch tributary to each, have been withdrawn from location. Hundreds of gold bearing streams, with hundreds of claims upon each, falling in at the rate of scores every week, can no longer be relocated, but they at once become the property of the owners of the Treadgold water grant without any effort, without any competition, and without adequate compensation.

This colossal grab was attempted some time ago and the ground was closed, but the *News* pointed out that the holders of the lease were required to enter upon the ground in each case as the claims lapsed, and this presupposed staking, which set up a condition of competition with free miners, who stood an equal chance of getting there first, and the contentions of the *News* was admitted to be just and legal, and the ground was reopened.

Now, however, a new order in council has been passed, and the words 'enter upon' have been stricken out, and words substituted which convey the ground direct just as soon as it lapses.

For this vast concession, conveying as it does the cream of the mines in this district and the sole right to sell water, all that the concessionaires are obligated to pay is the sum of \$250,000 by the end of next December, and this sum is to be spent upon matters pertaining to the grant, and not necessarily in this country. The money must be spent upon the objects of the enterprise, whatever this may mean.

This is not all. Upon the same day another order in council was passed, which takes from the miner the right to divert any more water than he can use himself. He can no longer sell his surplus. The Treadgold people must have the sole right to deal in this commodity.

To further the purposes of the owners of the grant, the ground has been definitely closed, and no longer can any relocations be made within the area of the black line on the accompanying map.

SESSIONAL PAPER No. 63

The privileges of the Treadgold partners extend even to the acquisition of the water of Rock creek, which had previously been covered by water grants, but an order in council takes precedence of an ordinary local grant, and injury and damage is the result.

What will be the effect upon business? What will the merchants think, and what should they do? What will the miners say who have paid for the right to locate within the closed district? All these are questions of supreme moment, and the situation is so grave that action of some kind should be taken immediately, or the situation will be beyond redemption.

If no necessity existed for representation in parliament before, it exists now, and such outrages would be prevented.'

DAWSON, Y.T., February 13, 1902.

Messrs. WOOD, VALLENCE & Co.,
Hamilton, Ontario.

We are sending you a marked copy of a Dawson paper, which marked article we wish to call your attention to.

If this is allowed to stand, it means that two-thirds of our gold-bearing area is closed to the prospector and miner, and absolutely tied up for a period of three years, and possibly longer. It will mean a falling off in trade in all lines from 25 per cent to 50 per cent. Surely you cannot be so disinterested in the development and advancement of this section as to sit quietly by and allow such an outrage to common decency in matters of government to be committed.

Every manufacturer, every wholesaler in Canada is indirectly interested in this matter, and should not rest until this order of affairs is reversed.

Just such administration of affairs in the Yukon has driven over 8,000 honest law-abiding English, Canadian, Australian and American prospectors and miners from this section, and if this condition of affairs continues to exist, there will be left nothing but a skeleton of a once prosperous and wealthy community.

If you could come with us to a visit to the creeks we would show you miles of ground held under concessions lying idle, while adjoining ground resembles a human beehive, alive with men delving for the golden treasure.

We do not overestimate this matter. We have been silent heretofore, but the time is now arrived when every man, every woman and every child in the Yukon Territory should enter a protest against a measure aimed against their prosperity and their homes.

Believing you will consider this matter carefully and act accordingly.

HOLME, MILLER & CO.

EXTRACT Dawson *Morning Sun*, February 14, 1902.

GIGANTIC MONOPOLY TO BE EXPOSED IN MASS MEETING.

WHAT IT MEANS.

Three hundred and fifty square miles of territory.

Two hundred and twenty-five thousand square acres.

Twenty thousand dollars a day earned now.

Five hundred and twenty thousand dollars a month earned now.

Three million one hundred and twenty thousand dollars earned in six months.

Ten million dollars earned in three years.

Three thousand eight hundred relocations last year.

Three thousand seven hundred renewals last year.

Loss of revenue to the government.

Loss of business to merchants.

Shrinkage in securities.
Values reduced.
Miners deserting territory.
Confidence gone.

Public opinion was quickly aroused when the *News* appeared on the streets last night with the first exposure of the gigantic mining grab attempted by Treadgold & Co. A mass meeting was quickly arranged for, and the A. B. hall promptly engaged for Monday evening at 8 o'clock. Every man who has anything at stake in the country should be present, and support the resolution which will be presented for the endorsement of the people present.

The map published in the *Daily News* yesterday, showing the dimensions of the enormous wet blanket upon future development which is cast upon the Dawson mining division by the Treadgold concession, was an object lesson that probably did more to arouse a deep public interest in the subject than any arguments against the creation of this iniquitous monopoly that have been or can be made.

Knots of miners gathered together last night and this morning, and conning over the map discussed how their individual interests are affected by the concession. Merchants also were asking each other if some means could not be discovered to prevent the tying up from development of this vast mining district for the next two or three years, arguing that such a suspension of mining in the immediate neighbourhood of the city must materially injure business interests.

The map shows a territory covered by this concession of about 350 square miles, or over 225,000 acres. It shows also that this is the richest portion of Yukon territory in its number of gold-bearing streams and in its mining development. It shows about eighty streams that have been located, and in addition many others that have not as yet even been named. Within this area there are thousands of claims—creek, bench and hillside—that would in a short time be staked and developed were it not for the fact that the individual miner has been robbed of this mining territory so near to his base of supplies in order that a wealthy syndicate might be made a present of it; to have and to hold until 1905, whether they do any development on it before that year or not.

That some of the claims embraced have been abandoned is no argument. In every placer mining camp claims are abandoned as worthless and afterward relocated and worked at a profit. Many of the Klondike pioneers, for instance, abandoned their claims on Eldorado, and even during last year only, 3,800 miners relocated claims that other miners had abandoned. Here follows a list of the principal creeks and gulches that are closed to development by the concession:—

UPPER BONANZA.

Tributaries.—Spring gulch, Gauvin gulch, Homestead gulch, Jim gulch, Nugget gulch, O'Neil gulch, McKay gulch, Victoria gulch, Seven pup, Carmack, Fork, Rice gulch, Ready, Bullion.

LAST CHANCE.

Tributaries.—Discovery pup, Henrietta pup, Fifteen pup.

HUNKER.

Tributaries.—Henry gulch, Bordeleau gulch, Finn pup, Tinhorn gulch, Hester creek, Fifty-four pup, Independent creek, Trilby gulch, Colorado creek, Not Much Gold gulch, Bee gulch, Little Gem gulch, Six Below pup, Mint pup, May pup, Six Above pup.

SESSIONAL PAPER No. 63

ELDORADO.

Tributaries.—Irish gulch, French gulch, Glacier gulch, Little Eldorado gulch, Twenty-seven gulch, Nugget gulch, Oro grande gulch, Gay gulch, Golden gulch, Chief gulch.

LOWER BONANZA.

Tributaries.—Examiner gulch, California gulch, Lovett gulch, Trail gulch, Cripple gulch, Seventy-seven pup, Sixty-seven pup, Pure Gold gulch, Forty-nine gulch, Forty-four gulch, Mosquito gulch, Monte Cristo gulch, Fox gulch, Queen gulch, American gulch, Eighteen gulch, Magnet gulch, Little Skookum gulch, Skookum gulch.

Boulder creek.—Byrne gulch, Campbell gulch, Dahlman gulch, Varnah gulch.

Adams creek.—Stampede gulch.

BEAR.

Lindow creek.

GOLD BOTTOM..

Tributaries.—Ontario gulch, Sode creek, West Gold Bottom gulch.

In addition to the above are innumerable creeks and gulches which have no names that appear on any map, but upon each and all of them there are claims, a number of which lapse each year.

EXTRACT *Dawson Morning Sun*, February 14, 1902.

TREADGOLD CONCESSION EXCITES ALL YUKONERS.

The whole populace of Dawson and the creeks is in a furore of excitement bordering on consternation over the far-reaching effects of the amended Treadgold concession.

The facts that have come to light with the publication of the order in council, in full have given it a different and undeniable interpretation from the one it was first supposed to bear.

The result of reference to legal authorities is that amendments to the concession will have the effect of closing to entry every vacant placer mining claim in the Klondike country proper.

Hunker, Bear and Bonanza, and all of their tributaries and ground contiguous thereto, are within the reach and grasp of the great concessionaire syndicate. That means every paying creek in the country flowing into the Klondike river. Those which empty into the Indian river and the Yukon are the only ones omitted, and every miner in the country knows how few those are.

EVE OF QUARTZ DEVELOPMENT.

The order has been passed by the Privy Council and will be submitted to parliament, which convened yesterday. Unless the approval of parliament is thwarted the order will become the law of the land.

Only a few days remain to the people here who hope to retain what they consider their most sacred rights before it is possible that the giant octopus will have fastened its tentacles upon the country that the poor prospectors have conquered and placed in the list of proud territories of the Dominion of Canada, and which with the process of strangulation once in effect will divest the country of its population and cheat the government of its income from this source.

BLASTS HOPE OF NEW STRIKES.

Last night two or three men or more could hardly be seen together who were not talking about the new phase of the concession. It was the talk all round, and there is no use trying to deny or conceal it,—that the Treadgold concession will sap the life of the country.

In the course of the conversation if there was one there were one thousand men who said they would 'mush' out of here in the spring and try their fortunes in the Koyukuk rather than face the disadvantages presaged by the enforcement of the more than threatened order of things.

Even now there are men who are preparing to be first in the rush to get away from Dawson, and to look for better places of business and other sorts of industry on the American side, where for so long a time they have been saying that the chances for a miner are better.

ENORMOUS PRICE FOR WATER.

Among other things that were spoken of were mass meetings to petition parliament against the ratification of the order in council, and of enlisting the efforts of every Dawson barrister now sojourning for the winter on the outside.

The people universally regret that the action came about while Commissioner Ross is on his way to Ottawa, and the wire is down so that he cannot communicate directly with the capital. All have a clear and defined confidence that he will be able to come to the rescue of the Yukon in her hour of greatest need.

Not for the mining industry alone do the people object, but on account of the life of the city of Dawson itself. They are firmly of the belief that the place will be little more than a memory with the Treadgold people in power, and that where now palatial public buildings and costly banks and big stores and warehouses all stand will be no more than a reminder of once when there was a prosperous country somewhere in the far north.

LITTLE TIME TO THWART IT.

On the eve of development of quartz and the opening up of coal mines the men of money here are fearing that the secrets of those future branches of wealth will be secrets still after the present hardy projectors shall all have left the country.

It is admitted on all sides that the placer claims now in operation have but a few years of life at most. The hope of the country for the immediate future is in the possibility of new discoveries at the very threshold of Dawson, but with the men who opened the doors of this country to the world, and were the means of bringing over 100,000 population, all may now be removed from the field of its one-time operation and activity.

MINERS TALK OF LEAVING HERE.

The striking of new and rich pay in localities where such pay has been found in the past has been expected and counted upon, and never a man has doubted that such would be found. With that one hope blasted, the town and people in it would begin to emigrate.

The conditions of the Treadgold concession as they were formerly understood were merely that A. N. C. Treadgold and associates had been given a water grant from the Klondike river, and an elapsed claim grant for Hunker, Bear, Bonanza, and tributaries.

MASS MEETING IS SUGGESTED.

The water was to be taken from the Klondike and conveyed to those creeks for the use of the concessionaire, and to be sold to the miners who required it. There was a stipulated sum, and now there is a smaller one; but when prices are compared with those in any mining country in the world it will be seen that the price proposed to be fastened on this country for the next score of years is enormous.

TREADGOLD HAS DONE NOTHING YET.

The syndicate has not made a move toward complying with its agreement in putting in its big water hoisting apparatus, nor has it begun the construction of a single ditch, flume or dam.

Though it has had title to many placer claims under its grant, it has made not a single improvement on such claims.

While all admit the need of water and of the use of capital in the hydraulicking process of mining, the miners certainly object to the terms of the present grant, and much more so to the amended one.

EXTRACT *Dawson Morning Sun*, February 14, 1902.

THE TREADGOLD CONCESSION.

Probably the editor of this paper is in a better position than most people of Dawson to fully appreciate the only possible defense that can be offered for the passing of the order in council respecting the above concession, which has recently reached Dawson.

We say this because the editor is so much more familiar with the views held outside than he would have been had his residence been longer here. It is apparent that there must have been a vast combination of misrepresentations regarding the Yukon, formed to assail the authorities at Ottawa to induce them to come to the conclusion that this territory cannot get along without Treadgold, and that it is a very insignificant matter to hand over to him all the abandoned claims on certain creeks. It is certain that nobody outside knows much about the Yukon, and the editor confesses that he has been here so short a time that for awhile, and until he was enlightened, he could not see any great value in abandoned claims. He said—and no doubt the authorities at Ottawa said: 'What good would the claims be if the present owners valued them so little as to lose them rather than pay the small renewal fee? Why not give them to some one like Treadgold, who will appreciate them and work them?'

One only needs, however, to examine the matter for a little on the spot to understand fully how erroneous such an idea is, and to appreciate how great must have been the imposition practiced to obtain such an order. Treadgold and his associates are horribly anxious to develop this country. They are grieved to think our people are suffering for water. It will be observed, however, that their efforts to develop are confined to districts where other men have found and opened the richest mines on earth. They do not care to strike out into new regions for themselves. They cannot be induced to leave the Klondike. Their excuse for confining themselves to this region is that Bonanza, Hunker, Eldorado, &c., are in distress for water, and they desire to relieve this distress at the small cost of twenty-five cents per miner's inch.

It is most fortunate that the legal adviser of Treadgold does not possess any knowledge of the elementary principles of law, and that he has, in his eagerness to secure for his clients more than they should justly have, overreached the mark. It is perfectly clear that the order, so far as it relates to Rock creek, is invalid, for such a grant as the order contemplates could only be made subject to the regulations regarding water rights, and subject to existing grants. On its face this portion of the order is null and void, as being a fraud and imposition upon the Crown, represented by the Governor in Council. There is no better established proposition of law than the one upon which this concession is based, and no owner of any grant on Rock creek need worry over this part of the order in council.

With regard to clause 10 of the order, we believe, after due and careful consideration, that that also is *ultra vires* of the Governor in Council. We know of no power of the Governor in Council to dispose of claims in the matter pursued in this order. He can make regulations regarding such claims and their disposition, but he cannot dispose of them.

We believe every one in the Yukon Territory who knows Commissioner Ross has the fullest confidence that he will, as soon as he reaches Ottawa, make such representations upon the subject as will show the government how outrageous has been the imposition by which the passing of such an order in council has been procured, and the necessity for its immediate cancellation.

We do not think any one need take seriously the playful threat of the Assistant Gold Commissioner to forfeit the \$15 deposited with any application, even if the grant in respect of which it is paid is refused.

There is one further final resort for the people of the Yukon, even if Treadgold's concession stands, and that is the formation immediately of a syndicate to prevent the reversion to the Crown of any further claims on any of the creeks covered by the concession.

EXTRACT *Dawson Sun*, February 15, 1902.

ORDER NOT IN EFFECT.

Must be published in Canada Gazette. Would call a mass meeting. Barrister C. M. Woodworth suggests that course in Treadgold matter, and people and bar send a strong telegram with petition to Mr. Ross.

The order in council concerning the Treadgold concession has aroused a great deal of discussion around town. Miners as well as the legal fraternity are discussing its phases, and while it is known to not be effective in withdrawing from entry any ground until the order shall have been duly published in the *Canada Gazette*, its effect thereafter is worrying them. Here is a letter from Barrister C. M. Woodworth on the subject:—

Editor *Morning Sun*,—The order in council amending the grant to Treadgold and his associates is made under the authority of sections 47, 90 and 90c of the Dominion Lands Act. Sections 91 and 91a of the same Act read as follows:

'91. Every order or regulation made by the Governor in Council, in virtue of the provisions of the next preceding clause, or of any other clause of this Act, shall, unless otherwise specially provided in this Act, have force and effect only after the same has been published for four successive weeks in the *Canada Gazette*; and all such orders or regulations shall be laid before both houses of parliament within the first fifteen days of the session next after the date thereof.'

'91a. Notwithstanding anything contained in any such Act, the omission to publish any order or regulations heretofore made by the Governor in Council under the provisions of any Act relating to Dominion lands, or to publish such order or regulation in any prescribed manner, shall not be held to invalidate it or anything done thereunder.'

It therefore becomes a serious question as to whether the order in council will take effect (a) before it has been published in the *Canada Gazette*, and (b) until 15 days after the first sitting of parliament.

The fourth publication in the *Canada Gazette* will not be finished apparently for some weeks yet, and as parliament opens to-day the avenue for it becoming law on this ground will remain closed for 15 days. The publication in the *Gazette* ought certainly to be postponed at the unanimous request of the people of the Yukon Territory until Commissioner Ross arrives in Ottawa, and the matter will certainly be opposed in parliament if instructions were wired to leading Dawson lawyers now on the outside, so that they might instruct leading members of parliament.

I venture to suggest, though it may not be a solution of the whole difficulty, that the mayor be asked to call a public meeting at once, and that protest be wired to Ottawa to Commissioner Ross and such other leading Yukoners now on the outside as may be able to deal with the matter.

C. M. WOODWORTH.

SESSIONAL PAPER No. 63

CALL A MASS MEETING.

People are just commencing to realize the enormity of the steal attempted by the Treadgold concession holders. No other term will correctly indicate the nature of the transaction. Rights which belong to the public are being taken without compensation or shadow of authority. What can this be called other than a theft?

The Governor in Council derives his power to deal with public lands under the authority of sections 47, 90 and 90c of the Dominion Lands Act. Section 91 of the Act reads: 'Every order or regulation made by the Governor in Council, in virtue of the next preceding clause, or of any other clause of the Act, shall, unless otherwise specially provided in this Act, have force and effect only after the same has been published for four successive weeks in the *Canada Gazette*; and all such orders or regulations shall be laid before both houses of parliament within the first fifteen days of the session next after the date thereof.'

This raises the question as to whether the order in council will take effect: First, before it has been published for four successive weeks in the *Canada Gazette*, or until fifteen days after the first sitting of parliament. It would appear that there is an opportunity to defeat this attempt to control the mines of this district if immediate action is taken. Parliament convenes to-day, and there are at least two weeks in which to prepare any memorial or other communication which it might be thought desirable to send to Ottawa to frustrate the intentions of Treadgold & Co.

A mass meeting of citizens of Dawson and miners should be called without a moment's delay to protest against the granting of the lease, and petitioning that it be cancelled forthwith. In the meantime the ground is not susceptible to the order in council if the terms of the Dominion Lands Act are understood by us. If our interpretation is the correct one, the ground cannot be legally closed for fifteen days after to-day, so that the arbitrary rules now in force at the Gold Commissioner's office are without warrant of law. Every man who presents an application for a claim for lapsed ground within this concession and is refused a grant can insist upon his application being received together with recording fee of \$15, and this money is perfectly safe should it prove that the grant never can issue. There is no legal method of forfeiting one cent.

EXTRACT from the daily *Morning Sun*, Dawson, February 16, 1902.

LIBERAL CLUB SENDS UNANIMOUS PROTEST TO OTTAWA.

Adopts stirring resolutions against the Treadgold concession, and will wire them to Governor Ross and Sir Wilfrid Laurier and Cabinet.

Strong speeches last night.

An earnest and enthusiastic meeting of the Liberal club was held last evening at Pioneer hall, for the purpose of discussing the recent order in council concerning the Treadgold concession.

One hundred and fifty members were present, and Vice-president F. T. Congdon called the meeting to order. He stated that, while the meeting had been called at the instance of the Liberal club, the subject under discussion was of such vital interest to the country that any one who felt interested would be privileged to speak.

Mr. Congdon spoke of the aroused feeling of the people,—aroused justly on account of the injustice of such a grant, and that it was the duty of the Liberal club to point out the wrong that had been made. He declared it to be a violation of all the principles of government, and that it had evidently been gained by the grossest misrepresentations. They should not go to extremes in the matter, as was being done at present, but calmly discuss its great mistake. The government should not give such grants, for it was but the trustees of the people, and it was the purpose of the people to see that they were considered in such affairs. He read some extracts of law on con-

tracts, and closed his remarks by saying that with a united effort of the Liberal club they should get good results from the Commissioner's visit to Ottawa.

Those who had come were primed for the occasion, and hardly had the chairman finished his remarks before Dr. Catto asked and obtained the floor.

COST NO MORE THAN RAILROAD.

He said the order has got to be revoked, and a committee should be appointed to look into the matter thoroughly and communicate with the government. What must be done must be done in haste. Dr. Catto said that it would cost no more to take water to Gold Hill than it would cost to construct the railroad shortly to be built. Yet the latter was a private enterprise, and would receive abundant remuneration for the investment.

The supply of water to the miners is the only commendable part of the concession. But the mere delivering of the water would bring excellent results for the investment. He would encourage such a venture by a subsidy, but under no circumstances should they be given control of any claims reverting properly to the Crown.

DUTY OF ALL YUKONERS.

The next speaker called on was orator Charles Macdonald, who said: 'I have not the slightest reluctance in improving this opportunity to state my feelings concerning the Treadgold concession. I only wish that men more conversant than myself—and there are many here—had been called upon. But we would be false friends to the Liberal government if we did not point out the mistakes of the party. (Hear, hear.)

As we all know, a mighty concession has been given, yet the government has no right to make such a gift, for it is merely the trustee of the people. This matter of the Treadgold concession must not and cannot be carried into effect. It is our duty to act promptly and point out the wrong. There can be no two opinions. It should become a law. (Hear, hear.)

It is our duty, therefore, as Liberals and friends of the Liberal party, to point out the wrongs, and send a telegram to the ministers and to Governor Ross.'

Mr. Macdonald suggested a most emphatic resolution, and said that the money for sending the telegram to the amount of \$1,000 could be easily obtained.

AWAITING MR. ROSS' ARRIVAL.

'When Mr. Ross arrives at Ottawa,' continued Mr. Macdonald, 'I know and feel sure he will make it plain that a mistake has been made in the granting of this concession. But we would be false to ourselves, false to our friends and false to this country if we did not point out the wrong to the government.'

A. D. Williams thought there was some good points to the concession. If the concessionaires would distribute water along Hunker and Bonanza it would be a great boon to the miners. That part of the concession met partly with his approval, but he said he did not wish to go on record as approving the part which granted them abandoned claims. He was interrupted several times, but the earnestness of the speaker in the interest of having water supplied to the creeks was not doubted. In making reference to his own concession he said he wished he had never owned it, for it was in getting water to his ground that he was now deeply in the hole.

Weston Coyney, a newspaper man, said:

'I am not a Liberal, but my father and grandfather were Liberals. I would not like to see too hasty action taken in this affair, but believe it should be thoroughly discussed.'

TREADGOLD SHOULD HAVE TO STAKE.

Mr. Macdonald said that it would not have been so bad if Treadgold had been compelled to stake, or had an even break with the prospector.

SESSIONAL PAPER No. 63

A. F. George, another newspaper man, likened the Klondike to a great reservoir, on which the country drew for a supply. He made a pretty illustration of how a claim being abandoned to-day in one district would be made up by the discovery of another. He had worked out two claims himself, and yet there was ground still untouched, and awaiting the hand of the miner.

'Now,' he said, 'if this opportunity is taken away from three or four thousand men to work in this district as individuals, we will only have in its place in a few years 500 men and our boss, Mr. Treadgold.'

Mr. George thought there should be a rattling of dry bones, and made that remark apply to his belief that not only this but other concessions should be looked into.

Then came an animated discussion, in which many took part. First one point and then another adverse to the concession was brought to light. It was learned that the amount of water to be supplied by the concessionaire would be only 50 sluiceheads, and, naturally, he would use that for mining his own ground.

DISASTROUS EFFECT IN LONDON.

Another speaker said he had just had a conversation with a man who had arrived last night from London, and that gentleman had informed him that there had been a depletion of Klondike money in the London market when the news of the Skagway conspiracy got in print. Such a move as this would certainly be disastrous on the investment seeking capitalists of London.

That brief talk, coming as a suggestion to keenly guard the interests of the Yukon gave vigour to the discussion that few expected when they went to the meeting, although it is admitted all expected a lively meeting.

F. J. Stackpole jumped to his feet, and with impassioned emphasis said:

'I have been a Liberal all my life, but I would not stay with any party that has acted like the present government. My interests are in the Yukon, and that's the part I am wanting protected.'

Alex. I. Macfarlane did not hesitate to say that if the government was in ignorance of this country it was about time to quit sending delegations to Ottawa, and have them send delegations here. He suggested that Mr. Sifton be asked to take a trip in over the ice.

DENOUNCED IN ENTIRETY.

W. D. Bruce said the meeting had gathered for one purpose. It was to announce in the strongest terms the Liberal club's objection to the granting of the Treadgold concession. There could be only one way to do it. That was to denounce it in its entirety. If part of it was bad it was all bad. He did not believe in sending a delegation, as Mr. Ross could better attend to the wishes of the people.

Several others made short and fiery speeches on whether it should be the entire concession or only the amendments which have just been made by the Privy Council. Others favoured sending a delegate. Some advised sending by telegram, but this was finally settled by the remarks of Chairman Congdon, which came next.

MR. ROSS HAD AN INTIMATION.

Mr. Congdon said that although Mr. Ross had not seen the order in council, it having arrived a few days after his departure, yet he believed that from an intimation that such a concession would be granted Mr. Ross made a hurried departure. With Mr. Ross at Ottawa the Yukon would have one friend known and tried. He would obtain the same entree into the council meetings as a minister, and any suggestions coming from him would carry the weight of one of the highest officers in the government; one who is thoroughly familiar with the wants and needs of this portion of the country. The speaker could say that Mr. Ross had been closely studying the conditions of the country since he arrived here. With such a man in the midst of the offi-

cials at Ottawa it was the Liberal club's duty to strengthen his request by sending telegrams as to what was wanted, backed by a unanimous voice. A delegate could do no good, for the time lost in his securing ingress to the council would be more than the time required by Mr. Ross to secure all the changes desired.

MR. ROSS THE PROPER REPRESENTATIVE.

Mr. Congdon said it was also proper that these requests should come through Commissioner Ross, as the head of the government of this territory. He said he had resolutions in hand which he could not, while acting as chairman, introduce. After reading them he asked that some one present them to the meeting, provided they expressed the sentiments of the meeting.

The resolutions were moved by J. H. Davison and seconded by J. C. Noel. There seemed to be considerable lack of knowledge as to the exact terms of the concession, and for the purpose of gathering data to apply in a more pointed manner to the injury done to the country in the original grant and the amendments of December 7, a committee was appointed to gather such statistics as would be valuable for the club to send, to back up its request and to strengthen the hands of Governor Ross at Ottawa. This is the resolution upon the subject of the committee:

A COMMITTEE IS NAMED.

That a committee be appointed to collect statistics and other information regarding the concession and the probable consequences of its operation, with a view of providing the Commissioner with the same.

It is further resolved that telegrams be sent to the Right Hon. Sir Wilfrid Laurier and to the other members of his cabinet, protesting against the Treadgold order in council, and praying that its operation be suspended pending the arrival at Ottawa of the Commissioner of the Yukon Territory.

The following were the committeemen appointed: George F. Coffey, M. H. Boulaïs, A. F. George, A. D. Williams, W. A. Beddoe, Dan. A. Matheson, J. R. Gray, J. H. Davison, J. L. Cote, George Brimston, T. F. Sinclair, J. V. Nicol, Geo. Edwards, James McNamee and Mr. Wigmore.

In discussing the resolution, the following gentleman made remarks: J. R. Gray, F. J. Stackpole, W. D. Bruce, Alex. I. Macfarlane, W. Arthur Beddoe, Jeff H. Davison, F. M. Sheppard, and a few others.

When the question was called it included the telegraphing of the resolution, and passed unanimously. The resolution read as follows:

THE RESOLUTION.

Whereas, the Liberal Association of Dawson has summoned this meeting of the association to discuss the Treadgold concession, and to make such representations in respect thereto to the government as might be deemed necessary, and has invited all Liberals, whether members of the association or not, to attend this meeting; and

Whereas, this meeting has the greatest confidence in the judgment and ability of the Commissioner of the Yukon Territory, and in his desire and determination to guard the interests of the people of this territory; and

Whereas, in the opinion of this meeting their confidence in the Commissioner is shared by the people of the territory at large; therefore be it

Resolved, that this meeting requests the Commissioner to undertake the presentation to the government of the representations which it is desired to make in regard to such concession, and that this meeting urges the Commissioner to use all his great influence to secure a cancellation of the obnoxious features of the recent order in council, and the other order in council relating to such concession, and to relieve this territory from the disastrous consequences certain to ensue if such order in council is allowed to stand in full; and be it further

SESSIONAL PAPER No. 63

Resolved, that the Commissioner's attention be called to the fact, and that he be requested to represent to the government that, in the opinion of this meeting, the insertion of such features in the orders in council could only have been procured by the grossest misrepresentation and fraudulent concealment; that it never could have been represented to the minister who proposed said orders, or to the Governor in Council, that the orders were an interference with and abrogation of vested rights; that it was retroactive in operation and most far-reaching and uncertain in effect; that it was certain to produce distrust and lack of confidence among the mining communities of this territory, and prove fatal to the progress of the territory; nor could it have been presented and made apparent that the only consideration promised for the enormous interests granted was a monopoly to supply water at an exorbitant and prohibitive price.

F. T. CONGDON,
Vice-president.

J. T. BETHUNE.
Secretary.

CONCESSION SHOULD NOT BE ENFORCED.

In one thing especially there was great unanimity, and that was the Treadgold concession should not be allowed to come into force. There were a few speakers who tried to point out the good of securing water by granting a concession, but it was quickly made clear that private capital had already constructed small pumping plants which were remunerative, and that outside capital would yet be keen to get the opportunity here presented for investment.

That concluded the meeting, and it was understood that every man present would attend the mass meeting at the Arctic Brotherhood hall Monday night.

MASS MEETING.

A mass meeting will be held on Monday evening at 8 o'clock, at the A. B. hall, to denounce the Treadgold concession, and prepare resolutions to be wired to Ottawa.

Messrs. WOOD, VALLENCE & Co.,
Hamilton, Ontario.

DAWSON, Y.T., February 17, 1902.

We are sending you to-day marked copies of the Dawson *Daily News* and the *Morning Sun*. The latter paper is the government's organ here. We wish to call your attention to the articles referring to the 'Treadgold grants.'

We wish to enlist your services in an endeavour to have this grant repealed. This means the success or failure of many a business enterprise in Dawson. To us it means a loss in trade of 25 to 50 per cent. Neither the *Daily News*, which is an independent paper, or the *Sun*, the government's organ, overestimate the damage this grant will do to the commercial interests here.

If there is anything you can do in this matter, any influences you can bring to bear, we trust you can see your way clear to do so.

HOLME, MILLER & CO.

2-3 EDWARD VII., A. 1903

OTTAWA, April 10, 1902.

Hon. A. T. Wood,
The Senate, Ottawa.

Referring to the letter of Messrs. Holme, Miller & Company, and to the papers which you sent, having reference to what is known as the Treadgold concession, I beg to say that I will be very glad to bring the matter to the attention of the minister. I was under the impression, however, that the people of Dawson had two representatives at Ottawa to discuss this particular matter with the government, but I have no doubt that whatever is decided will be satisfactory to those concerned.

JAS. A. SMART,
Deputy Minister.

OFFICE OF THE GOLD COMMISSIONER OF THE YUKON TERRITORY,
DAWSON, Y.T., April 11, 1902.

The Secretary,
Department of the Interior,
Ottawa.

I beg to acknowledge the receipt of the following telegram from the Honourable Clifford Sifton to the Gold Commissioner: 'Throw open for entry at once all the lapsed and abandoned claims withheld from entry by reason of Treadgold order in council.'

The minister's instructions in this matter have been carried out, and upon the receipt of the telegram the following notice was posted by the Gold Commissioner:—

DAWSON, Y.T., April 17, 1902.
4.30 p.m.

NOTICE is hereby given that from the above period all the lapsed and abandoned claims withheld from entry by reason of the Treadgold order in council are open to locations by free miners under the placer mining regulations.

D. PATULLO,
Asst. Gold Commissioner.

TELEGRAPH.

DEPARTMENT OF THE INTERIOR.
OTTAWA, April 17, 1902.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

Throw open for entry at once all the lapsed and abandoned claims withheld from entry by reason of Treadgold order in council.

CLIFFORD SIFTON.
per G. U. R.

SESSIONAL PAPER No. 63

EXTRACT from a Report of the Committee of the Honourable the Privy Council, approved by His Excellency on April 21, 1902.

On a memorandum dated April 17, 1902, from the Minister of the Interior, recommending, in virtue of clause 47 of the Dominion Lands Act as enacted by section 5, chapter 15 of the Act 55-56 Victoria, and of section 8 of the Yukon Territory Act, as that section was enacted by section 2 of chapter II. of 62-63 Victoria, that Messrs. Malcolm H. Orr Ewing, of Malvern, England, A. N. C. Treadgold, of London, England, and Walter Barwick, of Toronto, Ontario, be granted the following rights, powers and privileges:—

1. The sole right to divert and take water from the Klondike river at any point or points between its entry into the Yukon river and Flat creek, for the purpose of generating power with which to pump water to work the auriferous deposits in the district (hereinafter termed 'The District') comprising the beds, banks, valleys, slopes and hills of the Klondike river, of Bonanza, Bear and Hunker creeks, and of their tributaries.

Provided, that if the right given by this section is not exercised within six years from the date hereof it may be revoked by order of the Governor General in Council.

Provided that if any power is developed and rendered available by the grantees under this section which they do not make use of, then the same shall be offered for sale to the public, and the rates to be charged therefor shall be subject to the control of the Governor General in Council.

Provided that licensed holders of mining locations situated on the Klondike river shall be entitled as against the grantees to the use of a flow of water sufficient for working their claims, but not exceeding in all three thousand five hundred (3,500) miner's inches, equal to five thousand two hundred and fifty (5,250) cubic feet per minute.

Provided further that in the event of the grantees interfering with the flow of the Klondike river by the erection of dams or other obstructions, or by diversion of its water to such an extent as to prevent the passage of sawlogs or other timber down the stream, then the grantees shall for holders of timber berths under license from the Dominion government provide slides and facilities free of charge for the transmission of such logs and timber over such dams and obstructions, and over the portion of the river affected by such diversion of water.

2. The prior right to divert and take water from the Klondike river for distribution and use in the district, up to five thousand miner's inches.

3. The right to divert and use water of Rock creek, subject to the right of free miners' bona fide working claims on Rock creek to the use of the water, which they are entitled to under the regulations now in force respecting the diversion of water in the Yukon Territory.

4. The right at any point or points in the bed, banks, valley, slopes and hills of the Klondike river between its mouth and Flat creek, and of any creeks and tributaries within the district, to construct and maintain dams, cribs, intakes, flumes and any other works necessary for the generation of power, as well as for the diversion, distribution and use of water, and the right of entry upon and way through any lands and any mining ground for the purpose of such construction and maintenance.

Provided that the grantees shall place in a separate dump for the use of the owners of any mining ground entered upon by them in the exercise of this right all gravel which they may be obliged to move in such mining ground in consequence of the exercise of such right.

5. The right to purchase any Crown lands required by the grantees for the purposes of their works at a price not exceeding ten dollars per acre, saving and reserving all the timber, mines and minerals upon or under such lands.

6. The right at any point or points in the district to build, maintain and operate pumping stations, electrical works and reservoirs.

7. The right of entry upon and way through any lands and any mining ground for the purpose of constructing, laying and maintaining dams, reservoirs, flumes, ditches and pipe lines for conveying the grantees' water supply to any point within the district.

Provided that the grantees shall place in a separate dump for the use of the owners of any mining ground entered upon by them in the exercise of this right all gravel which they may be obliged to move in such mining ground in consequence of the exercise of such right.

8. The right of entry upon and way through any lands and any mining ground within the district, and within the Indian river district, for the purpose of constructing and maintaining overhead or underground wires, and any other structures for the transmission of electricity for any purpose whatsoever throughout the said districts, and the right to levy and collect such tolls as may be approved by the Governor General in Council for the use of electricity in the said districts.

Provided that the grantees shall place in a separate dump for the use of the owners of any mining ground entered upon by them in the exercise of this right all gravel which they may be obliged to move in such mining ground in consequence of the exercise of such right.

9. The right, subject to the regulations hereinafter contained, to use, distribute and dispose of by sale or otherwise the water delivered by the grantees within the district. No water so delivered shall at any time be deemed to be part of the water naturally flowing in any creek or tributary within the district, but shall be and remain at all times and places the property of the grantees.

10. The right, subject to no payment except the royalty prescribed upon output, to make entry for and work any abandoned mining claim or claims on Bonanza, Bear and Hunker creeks, such right to be exercisable only when the grantees by the construction of works in pursuance of this franchise are in a position to deliver water upon such claim or claims for the working thereof.

11. The prior right, if mineral-bearing lodes or deposits of any kind whatever be discovered through the operations of the grantees upon lands or locations owned or leased by the grantees within the district, to enter upon and purchase locations embracing the discoveries in the manner prescribed by the regulations governing mining in the Yukon Territory.

12. The right to take from Crown lands, to be designated by the department, subject to the payment of Crown duties, all timber and materials needed for the construction, maintenance and operation of the grantees' works.

13. The right, subject to the regulations hereinafter contained, to construct, lay, maintain, supply with water and operate bed rock flumes, and any other flumes for supplying water in the district.

14. The grantees shall not be required to pay to the Crown or to the district or local authorities occupation rents, assessments or other dues in respect of any lands, except timber lands, or in respect of any flumes, drains, properties or profits other than import customs duties, school taxes and a royalty on the gold mined in the mines owned by them, or any tax or assessment which may be substituted for such royalty.

Provided that no other or higher royalty, or any tax or assessment which may be substituted for such royalty, shall be imposed on any gold or silver mined from quartz by the grantees, than that prescribed by the present regulations, nor shall it at any particular time be greater than the lowest royalty on the output of gold and silver from the quartz mines of other mine owners in the Yukon district.

Provided also, that no other or higher royalty, or any tax or assessment which may be substituted for such royalty, shall be imposed on any gold and silver mined from placer mines by the grantees, than that prescribed by the present regulations, nor shall it at any particular time be greater than the lowest royalty imposed on the output of gold and silver from the placer mines of other mine owners in the Yukon district.

SESSIONAL PAPER No. 63

The properties of the grantees shall be exempt from representation.

The rights conferred upon the grantees shall extend for the period of thirty years, at the expiration of which period all exclusive and prior rights granted to them shall cease and be determined; but the works and structures built by the grantees, together with the lands, rights and easements which they shall have purchased or acquired shall remain the grantees' private property.

The grantees shall have the right to assign any of the rights conferred upon them to any company or companies, or to any persons associated together for the purpose of carrying into effect the objects of the grant or any part of them.

Regulations.

'A.' The grantees shall allow all free miners within the district to tail their sluices, hydraulics, ground sluices and drains free of charge into the flumes and drains of the grantees, yet not in such a way as to damage or obstruct the free working of the flumes and drains of the grantees by rocks, stones, boulders or otherwise.

'B.' The grantees shall compensate the owner of any mining claim or lands for any damage which any such owner may sustain by reason of any of the grantees' works breaking or being imperfect.

'C.' Any question of compensation arising under this grant shall be determined judicially by the Gold Commissioner, subject to appeal to the Territorial Court of the district, and the said court may, upon special circumstances being shown, make an order for the taking of further evidence.

'D.' The grantees shall yield to the owners of claims entered upon by them for the purpose of carrying out any of the works contemplated by this grant, any gold which they may obtain in respect of any gravel which may be moved by them in such claims in consequence of the construction of such works.

The committee submit the same for His Excellency's approval.

JOHN J. McGEE,

Clerk of the Privy Council.

EXTRACT from a report of the Committee of the Honourable the Privy Council, approved by His Excellency on April 21, 1902.

On a memorandum dated April 17, 1902, from the Minister of the Interior, stating that he has been in consultation with the Honourable James H. Ross, Commissioner of the Yukon Territory, with regard to certain objections which have been raised to the orders in council of June 12, 1901, June 29, 1901, and December 7, 1901, granting Messrs. Malcolm H. Orr Ewing, of Malvern, England, A. N. C. Treadgold, of London, England, and Walter Barwick, of Toronto, Ontario, certain rights, powers and privileges as set out in the above mentioned orders in council, and such objections have also been the subject of consultation with the grantees.

The minister recommends, as the result of the said consultations, with the assent of the said grantees, that the orders in council cited above be rescinded.

The committee submit the foregoing for His Excellency's approval.

JOHN J. McGEE,

Clerk of the Privy Council.

To the Right Honourable
The EARL OF MINTO,
Governor General of Canada.

We, the undersigned petitioners, residents of the Yukon Territory, view with deep concern the action of the government in granting what is known as the Treadgold concession, embracing within its prescribed area as it does, Bonanza, Eldorado, Hunker and Bear creeks, with all their tributaries, thus practically closing this entire mining district to the efforts of the individual prospector.

Further, we view with alarm the exclusive right given the company by virtue of the conditions set forth in the articles of the said concession to nearly all the available water in the Klondike district for mining purposes; the exorbitant rate of twenty-five cents per miner's inch per hour to be charged; the small quantity the company is obliged to deliver, and the indefinite period of time allowed for the completion of the work, we consider a most serious phase of the conditions.

Firmly believing that the order in council granting such a monopoly as the said Treadgold concession is based on a misunderstanding, and if not repealed will surely result in disaster to this camp.

We pray, therefore, that in your wisdom you will be pleased to cause the matter to be brought to the attention of the government for its most earnest consideration, for these and reasons contained in the subjoined extract of a report of a committee appointed at a mass meeting to investigate the matter.

And your petitioners, as in duty bound, will ever pray.

DONALD MacGREGOR,
Convener.

ARTHUR WILSON,
M. Y. C.

Dated at Dawson, this 22nd day of February, A.D. 1902.

EXTRACT from report of Committee appointed at Mass Meeting re Treadgold Concession.

The undersigned who were appointed by the general committee nominated at the mass meeting held at Dawson on the evening of Monday, the 17th of February instant, as a sub-committee, to collect information and make a report in regard to the objectionable features of the Treadgold concession, beg to report as follows:—

It is easy to understand how intelligent gentlemen at the capital should be misled both as to the value of the water supply contemplated by the Treadgold concession, as to the size of the capital proposed to be invested by him, and as to the value of the concessions made to him, but in the opinion of your committee no one in possession of the information which your committee has been able to obtain, by search at the Gold Commissioner's office, by numerous interviews with miners, engineers, and other men practically acquainted with the conditions of this territory, and from every source available, *can doubt that the supply of water contemplated by the scheme of the applicants for the concession is a mere stalking horse, under cover of which he may obtain absolute possession of enormous mining tracts, practically embracing the richest known mining district in the territory.*

It seems to your committee that while from a logical or scientific point of view the instruments containing the Treadgold concession are of a most imperfect and inartistic kind, they are, from the point of view of Mr. Treadgold and his associates, framed with clever adroitness. They are complex, involved and obscure, and as a consequence difficult to readily understand, and appear to have been purposely framed in that way to deceive into the belief that the Treadgold people were conferring an enormous benefit on the country and were receiving small return, whereas they are in effect giving little or nothing and receiving vast benefits.

SESSIONAL PAPER No. 63

Your committee has special reports made by individual members of the committee on the various features of the concession, which reports have been submitted to the committee and approved by it, and are herewith attached and returned to the general committee for its information.

To summarize the many opinions and views adverse to the concession is most difficult, but your committee desires to lay special stress on the following particulars:—

(1.) That the concession instruments ignore to a very large extent and override rights and vested interests already created by private enterprises and private capital.

(2.) That Treadgold makes no adequate covenants to insure fair and reasonable supply of water to miners who may require it.

(3.) That the price is too high, and that his powers of impounding water and obtaining abandoned claims, and his exclusive, sole and prior right with regard to water, afford him a most potent lever to compel payment of his exorbitant rates of payment of property.

(4.) That the closing to the prospector and the miner of large tracts of country, the ignoring of private rights, the exclusive rights and the other special privileges granted to the concession, will create a state of uncertainty in the most important section of the community that will be most injurious to the interests of the territory, and will tend both to deprive the government of revenue and the business community of the territory of a large branch of trade.

(5.) That the expropriation clauses are not framed with due regard to the rights of individual owners, and have no adequate provisions for indemnification.

In conclusion, your committee very greatly fear that if the concession is allowed to stand in its present form and without most radical amendments and alterations, that a monopoly will be created that will practically comminate the richest part of the Yukon Territory. In the opinion of your committee the best scheme for supplying water for mining purposes would be one initiated, operated and controlled by the government, but above all it is undesirable that a monopolist of the water supply should at the same time be a competitor in mining operations, with miners dependent upon him for their water supply.

Your committee believes that the government has been deceived in this matter, and that if a commission were appointed to obtain evidence regarding the true facts of the matter ample ground would be furnished to justify the government in rescinding the various orders in council and other instruments relating to the concession, if not in toto at all events in so far as they are most objectionable.

Dated at Dawson this 22nd day of February, A.D. 1902.

C. M. WOODWORTH,
J. H. DAVISON,
A. F. NICOL,
GEO. EDWARDS,
JOSEPH A. CLARK,

FRED. T. CONGDON,
Chairman.
J. T. BETHUNE,
Secretary.

OTTAWA, April 28, 1902.

WALTER BARWICK, Esq.,
Care Messrs. Barwick, Aylesworth & Wright, Barristers,
Toronto, Ontario.

I beg to inclose herewith for your information a copy of an order in council, dated the 21st instant, rescinding the orders in council of the 12th day of June, the 29th day of June and the 7th day of December last, by which Messrs. Ewing, Treadgold and yourself were granted certain rights, powers and privileges in the Yukon Territory.

P. G. KEYES,
Secretary.

YUKON TERRITORY

2-3 EDWARD VII., A. 1903

OTTAWA, April 28, 1902.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

I beg to inclose herewith for your information a copy of an order in council, dated the 21st instant, rescinding the orders in council of the 12th day of June, the 29th day of June and the 7th day of December last, granting to Messrs. Ewing, Treadgold and Barwick certain rights, powers and privileges with respect to the waters of the Klondike river and Rock creek, and to the abandoned mining claims on Bonanza, Bear and Hunker creeks.

P. G. KEYES,
Secretary.

OTTAWA, April 28, 1902.

Hon. J. H. Ross,
Commissioner of the Yukon Territory,
Dawson, Y.T.

I beg to inclose herewith for your information a copy of an order in council, dated the 21st instant, rescinding the orders in council of the 12th day of June, the 29th day of June and the 7th day of December last, granting Messrs. Ewing, Treadgold and Barwick certain rights, powers and privileges with respect to the waters of the Klondike river and Rock creek, and to the abandoned mining claims on Bonanza, Bear and Hunker creeks.

P. G. KEYES,
Secretary.

[For order in council dated April 21, 1902, see Sessional Paper, No. 81a, 1902.]

OTTAWA, April 28, 1902.

WALTER BARWICK, Esq.,
Care Messrs. Barwick, Aylesworth & Wright, Barristers,
Toronto, Ontario.

I beg to inclose herewith for your information a copy of an order in council, dated the 21st instant, granting to Messrs. Ewing, Treadgold and yourself certain rights, powers and privileges with respect to the waters of the Klondike river and Rock creek, and to the abandoned mining claims on Bonanza, Bear and Hunker creeks.

P. G. KEYES,
Secretary.

OTTAWA, April 28, 1902.

E. C. SENKLER, Esq.,
Gold Commissioner,
Dawson, Y.T.

I beg to inclose herewith for your information a copy of an order in council, dated the 21st instant, granting Messrs. Ewing, Treadgold and Barwick certain rights, powers and privileges with respect to the waters of the Klondike river and Rock creek, and to the abandoned mining claims on Bonanza, Bear and Hunker creeks.

P. G. KEYES,
Secretary.

SESSIONAL PAPER No. 63

OTTAWA, April 28, 1902.

Hon. J. H. Ross,
 Commissioner of the Yukon Territory,
 Dawson, Y.T.

I beg to inclose herewith for your information a copy of an order in council, dated the 21st instant, granting Messrs. Ewing, Treadgold and Barwick certain rights, powers and privileges with respect to the waters of the Klondike river and Rock creek, and the abandoned mining claims on Bonanza, Bear and Hunker creeks.

P. G. KEYES,
 Secretary.

[For order in council dated April 21, 1902, see Sessional Paper, No. 81a, 1902.]

COMMISSIONER'S OFFICE,
 DAWSON, Y.T., May 21, 1902.

The Secretary,
 Department of the Interior.

I am directed to acknowledge the receipt of your letter of the 28th ultimo, file No. 69412 T. & M., together with a copy of an order in council dated the 21st instant, granting Messrs. Ewing, Treadgold and Barwick certain rights, powers and privileges with respect to the waters of the Klondike river and Rock creek, and the abandoned mining claims on Bonanza, Bear and Hunker creeks.

J. N. E. BROWN,
 Territorial Secretary.

OFFICE OF THE GOLD COMMISSIONER,
 DAWSON, Y.T., May 23, 1902.

The Secretary,
 Department of the Interior,
 Ottawa.

I beg to acknowledge the receipt of your letter to the Gold Commissioner of the 28th ultimo, file No. 64912 T. & M., inclosing copy of order in council of April 28 last, granting certain rights, powers and privileges to Messrs. Ewing, Treadgold and Barwick.

This order in council was received May 21, 1902, and was posted May 22, 1902.

D. PATULLO,
 Acting Assistant Gold Commissioner.

OFFICE OF THE GOLD COMMISSIONER,
 DAWSON, Y.T., May 23, 1902.
 The Secretary,
 Department of the Interior,
 Ottawa.

I beg to acknowledge the receipt of your letter of the 28th ultimo to the Gold Commissioner, file No. 64912, inclosing copy of order in council rescinding the orders in council of the 12th day of June, the 29th day of June and the 7th day of December last.

This order in council was received May 21, 1902, and posted May 22, 1902.

D. PATULLO,
 Acting Assistant Gold Commissioner.

YUKON TERRITORY

2-3 EDWARD VII., A. 1903

OTTAWA, June 13, 1902.

A. N. C. TREADGOLD, Esq.,
Ottawa.

I am directed to inclose herewith, in compliance with your verbal request, a copy of the regulations for the disposal of the right to divert and use water from any stream or lake in the Yukon Territory, with the amendments thereto up to this date.

P. G. KEYES,
Secretary.

Telegram.

To Ryley,
Department of the Interior,
Ottawa.

July 2, 1902.

From London, July 2.

Did Boyle renew Ewing's and my miner's licenses ? Reply to-day.

TREADGOLD,
Tom-Tom, London.

Cable.

DEPARTMENT OF THE INTERIOR,
OTTAWA, July 2, 1902.

Tom-Tom,
London.

Boyle renewed Ewing's and your miner's licenses sixteenth June.

RYLEY.

Telegram.

To Ryley,
Department of the Interior,
Ottawa.

July 3, 1902.

From London, July 3.

Which section water regulations was rescinded last December ? Reply Tom-Tom.

Telegram.

DEPARTMENT OF THE INTERIOR,
OTTAWA, July 4, 1902.

Tom-Tom,
London.

Section ten water regulations rescinded last December.

RYLEY.

SESSIONAL PAPER No. 63

OTTAWA, May 19, 1902.

Messrs. HOLME, MILLER & Co.,

Dawson, Y.T.

I beg to inform you that your letters of the 13th and 17th of February last, addressed to Messrs. Wood, Vallence & Co., of Hamilton, Ontario, have been handed in to this department, together with the newspaper clippings which accompanied the same, having reference to the rights and franchises granted to Messrs. Ewing, Treadgold and Barwick by orders in council dated the 12th and 29th of June and the 7th December last, and in reply to say that by an order in council dated the 21st of April last the above orders were rescinded, and other rights and privileges granted in lieu thereof. A copy of the order in council amending the rights granted to the above persons is herewith inclosed for your information.

P. G. KEYES,
Secretary.

MINERS WANT NO MODIFICATION OF TREADGOLD CONCESSION.

They address a letter to the Hon. Clifford Sifton asking that it be rescinded.—Signed by many practical men with interests large and small—exposing a grievance.

The views of the practical mining men of the creeks upon the Treadgold concession have not changed from the moment the amended grant was made known in the city. They have united in a memorial to the Hon. Clifford Sifton, setting forth the bad features of the concession, and taking the ground that the only real remedy will be to have it totally rescinded.

In thus addressing themselves to the Minister of the Interior the petitioners do not take the position of placing themselves in opposition to the government, but on the contrary they explicitly state that their object is not to embarrass the government, but to place it right upon a matter where they believe an error might otherwise be committed. Here is the letter drafted by the miners mentioned, addressed to Mr. Sifton :

AN OPEN LETTER.

*To the Honourable Clifford Sifton, Minister of the Interior,
Ottawa, Ont.*

I have been requested by a number of the leading and representative mine operators of the Yukon, having claims upon the creeks included in the Treadgold concession, to draw your attention and that of the public to the accompanying statement of some of their objections to the measure.

The men whose names are thereto attached are not politicians, but practical business men. Their object is not to embarrass the government, but to expose a real grievance and avert a pending calamity. It is their general opinion that no modification of the concession will suffice to remove the evils with which it is fraught, but that unless totally rescinded it will hang like a black cloud over the land threatening widespread disaster.

The absence of many claim owners and pressure of time have prevented the paper from being as largely signed as it might have been, but it is believed to represent the substantially unanimous opinion of the practical and independent mine operators of the district.

Submitting the above and the subjoined memorandum to your respectful attention,

R. W. SHANNON.

MEMORANDUM containing objections of practical miners in the Yukon district to the Treadgold concession.

REASONS FOR THE CONCESSION.

The preamble to the order in council of June 12, 1901, gives as a reason for the privileges granted the following: 'The mining now carried on in the Klondike district because of the inadequate supply of water is necessarily confined to the washing of the richest gravel only, comparatively small in area, thus leaving large tracts of gold-bearing gravels unworked.'

It is true that there are large quantities of ground unworked for want of a sufficient quantity of water; at the same time the men at present in the district are gradually absorbing this land and applying capital and machinery to the purpose. Among these are operators who are identified with the country since its discovery, and have grown up with it.

HYDRAULIC MINING NOW A SUCCESS.

The statement that the richest gravel only is worked at present is not correct; it is partly, and only partly, true. The hydraulic system has already been introduced by private enterprise. For example: Mr. Alexander McDonald has employed it on the Bonanza creek, Mr. Johansen on Hunker, and others have followed their example, and have placed hydraulic machinery upon the ground for use during the coming season. The operators above mentioned work, not the richest ground only, but all the gravel on their claim, leaving nothing undisposed of. In the natural course of affairs, if miners are allowed to proceed as they have been doing hitherto without interference other capitalists will undoubtedly proceed on the same lines, and by this means without any cost to the country, without any special concessions, without favouritism and without injury to any other interests, the whole of the gold-bearing gravel will be operated up to a certain height, which height will be determined by the cost of raising the water from the creek level up to the hillside gravels, and by the values of the hillside gravels encountered.

The grantees under the orders in council are only required to give a 300-foot elevation; the miners who are already using hydraulic apparatus are raising water themselves to a height of 300 feet at a less cost than Mr. Treadgold and his associates are authorized to charge.

It is possible, though not probable, that paying dirt might be found at a height at which a private operator under ordinary circumstances, and with a small amount of capital, would find unprofitable work.

SHOULD GRANT CONCESSIONS.

In such a case it would be justifiable to grant special advantages to a largely capitalized company, which by operating on a wider scale and employing more expensive machinery would lift the water to the highest levels at a cost sufficiently small to allow them a fair profit.

This, however, is a contingency for the future, and a plan that can only be adopted fairly and with profit to the district after the creeks which are now being worked have been exhausted. Under present conditions the creeks are worked continuously, but should a large company with an extensive volume of water operate the higher levels, there would be a discharge into the creek beds of so much dirt or debris as to effectually put an end to operations in them.

CREEK CLAIMS SHOULD BE WORKED OUT FIRST.

For economical mining it is absolutely essential that the creek claims should be worked out before hydraulic operations on a large scale are commenced on the hillsides.

SESSIONAL PAPER No. 63

The miners who work on the creeks carry on their business at present with a fair profit, having only to handle the dirt naturally belonging to the creek, but a discharge of debris from the hillside would so add to the expense of their operations as to take away their profit and drive them out of business. In our opinion it will be from ten to twenty years, if then, before the district has been so far worked as to call for any such wholesale grant of lands as is included in the Treadgold concession or justify its adoption.

INJURIOUS EFFECTS OF THE CONCESSION.

The above incontrovertible facts and considerations establish clearly, we believe, the following propositions: That no capital has been kept out of the country by the want of such a scheme; that the needs of the country, in so far as the application of hydraulic machinery to mining operations is concerned, are being amply met as they arise by private enterprises, and will continue so to be for many years to come; that the concession secures nothing that the miners are not already providing for themselves; that it saves nothing in the cost of the water to those who require it, and that if taken advantage of to carry out the purpose indicated in the preamble of orders in council it will have a disastrous effect upon the operations at present going forward in the creek beds.

We now propose to consider another important feature of the arrangement. It is provided by the orders in council that all abandoned claims on Bear, Bonanza and Hunker creeks and their tributaries,—this includes Eldorado,—shall be deemed to be vested in Mr. Treadgold and his associates, on and after the 1st day of January, 1902.

It might be supposed by a person ignorant of mining that a claim which has been abandoned is by that very fact proven to be inferior and non-productive, or at least not sufficiently productive to pay for being worked by the private individual. This, however, is far from the truth. It is the universal experience in mining countries that claims may be prospected three or four times and abandoned, and may yet turn out to be rich and profitable.

ABANDONED CLAIMS PROBABLY WORTH MILLIONS.

The value of the gift made to Mr. Treadgold and his associates is incalculable, but we believe it is no extravagance to say that it runs up into the millions of dollars.

CONCESSION COVERS EVERYTHING.

The effect of a blanket concession like this is to close up the district and withdraw it from relocation. When it is remembered that the district included in the grant comprises the greater part of the gold-bearing area which has been exploited in the vicinity of Dawson city, and that it contains almost all the roads and improvements that have been made by the government in the mining territory, it will be seen how important the consequences of this measure will be.

The prosperity of the district, the diffusion of comfort among all classes, the continued influx of population and the attraction of further capital for development, all depend upon the abandoned claims being left open to be further prospected by private individual miners and relocated.

INJURES THE WORKINGMAN.

The closing of the district will be injurious to the interests of the wage-earner. At present the mining area is thickly populated with individual wage-earning operators. These men are not occupied continually, being usually idle part of the year. During the idle period they are accustomed to prospect and try to find something for themselves.

THE AMBITIOUS PROSPECTOR OPENS THE COUNTRY.

It is not alone those who are for the time being idle who engage in prospecting, but there is another class of wage-earners even more useful. These are men who are ambitious to better their condition. They work first, in order to earn a small reserve, and spend weeks, sometimes months, searching for the precious metals. More often than not they fail and have to begin again. It is in this way that the resources of the district are exploited. Such is the universal practice throughout the world.

The capitalists who have been engaged in developing the country depend upon the two classes of labourers above mentioned for their supply of workmen. By closing the district to further prospecting, both the capitalists and wage-earners above spoken of will gradually disappear.

DESTROYS INCENTIVE.

There is no longer any incentive for the individual wage-earner to stay, and he is prevented from looking about for claims for himself, and, as explained above, he cannot obtain continuous employment the year round.

The capitalist must go because he will be compelled to import labour for a short period of the year at higher wages, and consequently the cost of production will be increased. Banks of gravel that would be worked with wages at the present scale could not be profitably operated on a higher scale. Furthermore, the ground now owned by individual miners will be worked out in many cases in from one to five years, and the operators will then be compelled to seek further locations, not from the government or under public regulations open to all the world, but from a private firm whose interests are strictly financial, and whose only object will be to get every dollar they can out of the property they control.

AT THE MERCY OF A UNIVERSAL LANDLORD.

The machinery belonging to miners and mining companies now in the country represent millions of dollars. This would be rendered idle and consequently valueless, since the owners would be at the mercy of a universal landlord, and must submit either to his terms or leave the country.

It may be asked why they could not remove their machinery outside the Treadgold concession and commence operations anew. The answer is that the concession covers nearly all the roads and improvements made in the district by the government. Consequently in moving to a location outside the concession new roads would have to be built to reach the objective points, and no individual could stand the expense. It would, in fact, be cheaper to bring in machinery for a new district from the outside up the natural waterways of the country than to attempt to move it from its present position across intervening mountains and valleys to other places.

MINOR DETAILS.

The ordinary miner has to prospect, mark out and enter upon his claim. The grantees under the order in council are saved all that trouble, since it is provided that all mining locations now or hereafter abandoned on the various creeks included in the grant are to be deemed to be vested in them without entry.

FREED FROM FEES OF ALL KINDS.

The ordinary miner has to pay \$15 per claim per annum rental, and to do work to the extent of \$200 on each claim (called 'representation.' See order in council, June 12, 1901, sec. 13, sub-sec. 5.) Mr. Treadgold and his friends are relieved of these expenditures. Sec. 13, sub-secs. 4 and 5.

SESSIONAL PAPER No. 63

The grantees are to expend during the present year at least \$250,000, and this is presumed to be some kind of return for the enormous grant made them.

It is stated that 1,310 abandoned claims vested in them between January 1 and March 1 of the present year. In the hands of private miners these would have entailed an outlay as above of \$215 each at least, or in all \$281,650 per annum, some portion of which would go to the government, while the government will get none of the \$250,000 required to be expended by the concessionaires.

GET THE EARTH FOR NOTHING.

In any event we consider the expenditure required of the grantees trivial in comparison to the extent of the gift made to them.

We are confident, from our experiences in this and other mining countries, that every abandoned claim in the district will be taken up within two years at least if the district is left open to individual prospectors, and that most of them will be taken up within one year.

The grantees are required to deliver within the district during the summer of 1905 a flow of 3,000 cubic feet, or 18,600 gallons of water per minute, at such an elevation as to afford a pressure at an effective head of not less than 300 feet, and this at a charge of 25 cents per miner's inch per hour.

TREADGOLD WATER TOO EXPENSIVE.

One private operator in the district himself raised 1,500 gallons per minute for his own use to a height of 300 feet at a less cost than 25 cents. There are others doing the same thing quite as cheaply, and additional new machinery has been placed on the ground for the same purpose by still other parties.

GENERALLY.

It is our firm conviction that if the arrangement is not repealed and the orders in council rescinded, they will put an end to individual enterprise in the Yukon, will paralyze every branch of industry there, will cause the people at present in the country to get out of it as quickly as they can work out existing holdings, will hand the country over bodily to a gigantic monopoly whose interest it will be to carry out their operations with Chinese or Japanese labour, and will, in fact, complete the ruin of the Yukon Territory, not at a distant day, but within the next four or five years.

C. George Johannsen, for Johannsen & Blick (30 claims); James Henderson, manager for McDonald, Bonanza, Limited (16 claims); George T. Coffey, manager Anglo-Klondike Mining Company, Limited (40 claims); Albert Trabold (46 claims); L. Faillaud, manager Syndicate Lyonnais (15 claims); Charles A. Dunn, manager for Stanley & Worden (12 claims); McKay, Nelson & Dalgarn (13 claims); Gervais & Simard (10 claims); Thomson & Granger, Patterson & McAskill, Faull & Cordt, Southier Brothers, McKnight, Chilo & Bagley; White, Sheets & Co.; Fyfe & Danson, Alexander & Rhisdan, Higgins & White, Johnson & Lee, Brazeau Brothers, Nordstrom Brothers, Yeager & Co., Badger & Co., Henderson & Tauger, Fax & Co., Miller & Curt's, Clark, Stafford & Williams; Fisher & Christianson, Weeks & Co., Bourke Bros., August Ryberg, Frank Agnew, H. McGuiness, Isaac Watier, James Burnfield, F. Hicks, E. A. Wendt, Martin Murray, Patrick King, Simon Fraser, J. S. Cameron, H. E. Boucher, Joseph View, T. Potter, C. Andrews, James Butler, John A. Moe, J. P. Simons, John Erickson, J. J. Putraw, James Hall, H. C.

2-3 EDWARD VII., A. 1903

Belcher, Charles A. Anderson, P. H. McCormick, F. C. Johnson, C. W. Sankey, J. B. Shattuck, Carl Blomquist, C. M. Van Cleave, James Munroe, R. G. Wilson, James Cosgrove, Lee Sholson, John Macaulay, A. W. McLeod, A. F. Stander, Charles Reid, Noe Dufault, A. Binett, Joseph Duleau, George Harvey, H. Y. Crockett, R. J. Oliver, John Mellon, K. L. Smith, H. C. Ash, J. D. Hartman, R. Gilmore, Kenneth Sinclair, John Kerns, Louis Renaud, A. H. Anderson, E. McWilliams, Frank McAndrews, John Knoll, Alberta Dalton, A. Burton, J. F. Brown, J. McIntyre, Louis E. Miller, John L. Ely, Charles Olsen, Henry Avisor, Robert Casilty, J. McGrath, Ben. Jones.

Dated at Dawson, this 15th day of April, 1902.